What's the Value of Grants?

Nonprofit executives and boards want to see a return on investment (ROI) that advances the mission of the nonprofit organization. A question often asked is: “What’s the value that my organization is going to realize through a grant(s)?”

When consulting with nonprofit executives, I hear some common statements which tend to fall into two categories:

- Grants are a waste time; or
- Grants are great but uncertain.

How should a nonprofit approach grants to realize the greatest value to its mission? Here are some statements I’ve heard from nonprofit executives:

**Statement 1:** *I want to land a large grant that can fund my nonprofit, or at least a large portion of it, for a couple of years.*

**Response:** Securing a big grant can feed an organization for a while, and then what? Will pursuing a big grant change an organization’s focus? This kind of approach is a high risk/high reward: Can the organization survive such a risk? While pursuing major grants can be a sound organizational strategy to help with significant projects or organizational needs, a sound sustainability plan must be built into the grant strategy to sustain the progress made once the grant funding is over.

**Statement 2:** *I don’t want to have to do a bunch of paperwork.*

**Response:** Setting up a reporting system is key. Many reporting requirements match what the organization is already doing—reports to boards of directors on programs and initiatives, financial balance sheets, surveys, outcomes, etc. Funding sources want organizations to focus on the work, not spend time doing paperwork. Systems that support an ongoing reporting strategy will allow the work to be completed without a sudden rush and/or press to submit reports and information required by funding sources.

**Statement 3:** *I just don’t see anything out there for us.*

**Response:** Finding grants requires a game plan and determination. There are billions of dollars awarded through grants every year from thousands of funding sources. Being receptive to new ideas and opportunities takes a little work and research and can have enormous payoffs to supplement and enhance the organization’s mission.

**Statement 4:** *All the time that’s required to pursue and manage grants takes time away from our work.*
Response: Time is an irreplaceable commodity. When people say they don’t have time, it really means they have other priorities. Is growth and expansion a priority? Is improving staff and organizational outcomes a priority? If the answer(s) is yes, then grants should be a priority as they are outstanding tools for growth, expansion, and improving outcomes.

Statement 5: *We tried writing grants before and it just didn’t work for us.*

Response: Grants should be a part of the long-term funding mix. A persistent effort will achieve ongoing results. A recent example: A client received a visit from a potential funding organization for a project. The funder learned of the client’s programs and saw another project it liked better and it funded that project. Because we had other grant proposals ready, we were able to provide the funder with information on the other project and closed the deal. The project the funding organization was originally interested in? We found another source that provided the resources to fund that project.

Grants do provide value. Grants take strategy, persistence, and flexibility. What value to your organization have you experienced through grants?